

(2) The formula in 31 U.S.C. 6903(b)(1), which includes inflation adjustments; and

(3) Federal and State payments disbursed during the previous fiscal year to local governments under the land payment laws listed under 31 U.S.C. 6903(a)(1).

(d) The laws listed in 31 U.S.C. 6903(a)(1) and referred to in paragraphs (a) and (c) of this section are:

(1) The Act of June 20, 1910 (Arizona and New Mexico Enabling Acts) (ch. 310, 36 Stat 557);

(2) Section 33 of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1012);

(3) The Act of May 23, 1908 (Knutson-Vandenberg Act regarding Forest Service timber sales contracts) (16 U.S.C. 500);

(4) Section 5 of the Act of June 22, 1948 (Payments to Minnesota from northern Minnesota National Forest receipts) (16 U.S.C. 577g-1);

(5) Section 401(c)(2) of the Act of June 15, 1935 (Payments to local governments from National Wildlife Refuge System receipts) (16 U.S.C. 715s(c)(2));

(6) Section 17 of the Federal Power Act (16 U.S.C. 810);

(7) Section 35 of the Act of February 25, 1920 (Mineral Leasing Act) (30 U.S.C. 191);

(8) Section 6 of the Mineral Leasing Act for Acquired Lands (30 U.S.C. 355);

(9) Section 3 of the Act of July 31, 1947 (Materials Act of 1947) (30 U.S.C. 603); and

(10) Section 10 of the Act of June 28, 1934 (Taylor Grazing Act) (43 U.S.C. 315i).

**§ 44.22 Are there any special circumstances that affect the way the Department calculates PILT payments?**

If a local government eligible for payments under this subpart reorganizes, the Department will:

(a) Calculate payments for the fiscal year in which the reorganization occurred as if the reorganization had not occurred; and

(b) Disburse any payment due to each new unit based on the amount of eligible acreage in that unit.

**§ 44.23 How does the Department certify payment computations?**

(a) The Department will certify a payment computation only after receiving a statement showing all land revenue sharing payments that each local government received from the State during the previous fiscal year. As used in this paragraph, "land revenue sharing payments" means payments made from revenues derived from the payment laws listed under 31 U.S.C. 6903(a)(1). The statement must:

(1) Be signed by the Governor or a designated official of the State in which the local government is located; and

(2) Be accompanied by a certification, signed by a State Auditor, an independent Certified Public Accountant, or an independent public accountant, that the statement has been audited in accordance with:

(i) Auditing standards established by the U.S. Comptroller General in Standards of Audit of Governmental Organizations, Programs, Activities and Function, (available from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402); and

(ii) The Audit Guide for Payments in Lieu of Taxes issued by the Department of the Interior.

(b) The Department's Office of the Inspector General will assist the Department, under the provisions of sections 4 and 6 of the Inspector General Act of 1978 (5 U.S.C. Appendix), to implement and administer the audit requirements in paragraph (a)(2) of this section.

(c) The Office of the Inspector General will:

(1) Develop appropriate audit guidelines that State auditors, independent Certified Public Accountants, or independent public accountants must use to audit the statements of the Governors or their designated officials and to certify the audits; and

(2) Furnish copies of the guides to the Governor or designated official each year. You should send questions on the use or application of this guide to the Office of Inspector General, U.S. Department of the Interior, Washington, DC 20240.

(d) The Department may waive the requirement to certify audits if the